

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Cellotape/Landmark Label

Corporation for Manufacturing Excellence (Manex)

Cellotape, Inc. Improves Time to Market with Help from Manex

Client Profile:

Cellotape, Inc. is a leading manufacturer of high quality labels for the consumer packaged goods industry. The company has provided innovative labels, overlay panels, nameplates, and components to customers in the electronics and medical industries for over 50 years. Cellotape employs 130 people at its facility in Fremont, California.

Situation:

Cellotape's strategic acquisition of a competitor resulted in two divergent operations with an overlap in administrative functions. The company's executive management team wanted to evaluate the consolidation of both locations into one site and implement operational improvement through the utilization of lean manufacturing. In addition, Cellotape wanted to improve its total operational effectiveness, reduce costs and improve the "time to market" for designing and delivering their innovative labels. The company called upon the Corporation for Manufacturing Excellence (Manex), a NIST MEP network affiliate, for help.

Solution:

Manex used a proven, tailored approach designed to maximize the available floor space in the main location, to improve time to market on all products and ensure the company had sufficient capacity to support the company's 5-year growth plan. Cellotape and Manex focused on labor and equipment loading, materials flow and changeover activities. Total Productive Maintenance (TPM) was also implemented to ensure minimum downtime of key equipment, critical to meeting their tight timelines. Project activities included reviewing and developing a 5-year sales growth plan; measuring and analyzing uptime on equipment to determine throughput; developing a 'machine uptime' improvement plan to meet capacity needs; creating current state and future state maps and layouts to optimize shop floor operations; implementing proven 5S (Sort, Set in Order, Shine, Standardize, Sustain) and Lean Manufacturing principles to reduce costs, reduce defects and improve profitability of orders; implementing Root Cause Corrective Action (RCCA) training and Kaizen events; implementing 'Train the Trainer' concept for Lean Manufacturing principles; and creating four Kaizen event teams to continue improvement initiatives into the future. As a result of these continuous improvement activities, Cellotape dramatically increased production levels, reduced annual operating costs, and improved quality and time to market.

Results:

- * Reduced operating costs by \$600,000.
- * Realized \$1.2 million in cost savings.
- * Improved set up time by 35 percent.

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- * Improved order entry process to floor time by 35 percent.
- * Reduced energy costs by 35 percent.

Testimonial:

"The professionals from Manex spearheaded an internal team to layout the new consolidated facility in the context of Cellotape's resources, timelines and business plans. The company has been meaningfully and positively changed as a result of its association with Manex."

Pete Offermann, President